

BAY AREA
AIR QUALITY



TRANSPORTATION
FUND FOR
CLEAN AIR

2006

Transportation **F**und for **C**lean **A**ir --- ---

Program Manager Fund Expenditure Program Guidance

Bay Area Air Quality Management District
939 Ellis Street, San Francisco, CA 94109
January 2006

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REMINDER CHECKLIST

- ☐ Submit your Expenditure Program electronically and provide a paper copy.
- ☐ Submit the Expenditure Program packet to the Bay Area Air Quality Management District no later than **Monday, May 1, 2006 at 4 PM.**
- ☐ Executive Director must sign and date the Summary Information Page.
- ☐ Packet should include:
 - ☐ Governing Board approval resolution
 - ☐ Summary Information Page
 - ☐ Summary Information Addendum Page – list unallocated funds from projects completed under budget, cancelled, or funds not previously allocated
 - ☐ Project Information Sheet for each project
 - ☐ Individual Project Worksheet for each project (note exceptions described below)
- ☐ Line 1d of the Summary Information Page (Actual FY 05/06 DMV revenues) will not be available until March 2006 due to a lag in receipt of data from the Department of Motor Vehicles (DMV). The Air District will provide this as soon the information is received.
- ☐ Submit cost-effectiveness worksheets for each project except the following: TFCA Program Manager administrative costs; alternative fuel infrastructure projects; and light-duty clean air vehicle projects with a gross vehicle weight (GVW) of 10,000 lbs. or less. Inputs and assumptions used in the cost-effectiveness analysis must be consistent with Air District instructions/default assumptions/guidelines, or you must document and explain any deviation from these.
- ☐ Do not combine infrastructure projects (e.g., electric vehicle or compressed natural gas vehicle infrastructure) with any project to purchase clean air vehicles. Emission reductions and cost effectiveness are not calculated for infrastructure projects. The emission reductions associated with infrastructure projects are attributed to the clean air vehicles that use the infrastructure.

I. PROGRAM MANAGER FUND SUMMARY

This document describes the Transportation Fund for Clean Air (TFCA) Program Manager Fund and explains how to prepare an expenditure program for the FY 2006/07 funding cycle.

Eligible Project Types

The following project types are eligible for funding under the Program Manager Fund, as outlined in the California Public Health and Safety Code Section 44241:

1. The implementation of ridesharing programs.¹
2. The purchase or lease of clean fuel buses for school districts and transit operators.
3. The provision of local feeder bus or shuttle service to rail and ferry stations and to airports.
4. Implementation and maintenance of local arterial traffic management, including, but not limited to, signal timing, transit signal preemption, bus stop relocation and "smart streets."
5. Implementation of rail-bus integration and regional transit information systems.
6. Implementation of demonstration projects in telecommuting and in congestion pricing of highways, bridges, and public transit. No funds expended pursuant to this paragraph for telecommuting projects shall be used for the purchase of personal computing equipment for an individual's home use.
7. Implementation of vehicle-based projects to reduce mobile source emissions, including, but not limited to, engine repowers, engine retrofits, fleet modernization, alternative fuels, and advanced technology demonstrations.
8. Implementation of bicycle facility improvement projects that are included in an adopted countywide bicycle plan or congestion management program.
9. The design and construction by local public agencies of physical improvements that support development projects that achieve motor vehicle emission reductions. The projects and the physical improvements shall be identified in an approved area-specific plan, redevelopment plan, general plan, traffic calming plan, or other similar plan. Note: this category is usually referred to as the "smart growth" category.

Cost-Effectiveness

Program Managers must ensure that the cost-effectiveness of each individual project in their expenditure program achieves \$90,000 or less per ton of emissions (of reactive organic gases, oxides of nitrogen and weighted particulate matter) reduced based upon the TFCA funds allocated. The following are excluded from the cost-effectiveness calculation: TFCA Program Manager administrative costs; alternative fuel

¹ For purposes of TFCA Program Manager Fund applications, "ridesharing" means carpooling, vanpooling, or transit. Other trip reduction projects, consistent with the county's adopted Congestion Management Program, are also eligible (e.g., police bicycle patrol projects).

infrastructure projects; and light-duty clean air vehicle projects with a GVW of 10,000 lbs. or less.

Schedule for FY 2006/07 TFCA Program Manager Fund Cycle

January 31, 2006	Application packets mailed out by Bay Area Air Quality Management District (Air District)
May 1, 2006	Deadline for Program Managers to submit packets
July 2006	Funding allocations approved by Air District Mobile Source Committee (tentative)
July 2006	Funding allocations approved by Air District Board of Directors (tentative)

Allocation and Expenditure of Funds – Time Limits

Any TFCA Program Manager funds that are not allocated within six months of the Air District Board of Directors approval of the Program Manager's expenditure programs shall be allocated to eligible projects by the Air District. Program Managers may choose to add additional projects after the submittal of their original expenditure program. This is allowable if the cost can be covered by unallocated funds. Any such requests should be in writing from the Program Manager to the Air District TFCA contact for that county and approved by the Air District Board of Directors.

Program Managers can only incur project costs as of the date of approval of their expenditure program by the Air District Board of Directors. The Air District will not fund any portion of a Program Manager or applicant's cost of preparing and submitting an application. Program Managers must expend the funds within two years of the effective date of the funding agreement, unless the Air District approves a longer period upon appropriate written request from respective Program Manager.

Administrative Cost Limit

Program Managers' administrative costs are limited to a maximum of five percent (5%) of total actual TFCA funds allocated to the Program Manager in a given fiscal year. Program Managers calculate an estimate of available funds for administrative costs at the beginning of the fiscal year on Line 6 of the Summary Information Page (sent by e-mail). The Air District must approve all administrative costs in advance. The Guidelines for Eligible TFCA Reimbursable Costs including Administrative Costs are contained in Appendix A.

How Program Managers Receive Funds

Funds allocated in FY 2006/07 are Department of Motor Vehicles (DMV) surcharge fees generated during calendar year 2006. The Air District will forward funds to the Program Managers in two payments; one in the fall of 2006 and one in the spring of 2007. Each payment will represent forty percent (40%) of the revenues transmitted from the DMV to the Air District, less Air District's administrative costs.

Monitoring and Reporting Requirements

All Program Managers are required to submit a Quarterly Funding Status Report form. This form will be e-mailed to each Program Manager on a quarterly basis. The form documents if project funds are reprogrammed, and how reprogrammed funds are assigned. A copy of this form is attached in Appendix B.

Program Managers must also submit annual progress reports as specified in the Funding Agreement. For each project, the Annual Report includes one of the following forms: completed projects require the Project Monitoring Form, and ongoing projects require the Project Status Reporting Form. A delay in receiving reports from the project sponsor may result in a delay of approval for project funds in the next funding cycle. The Project Monitoring Form for each specific project type is identified on page 8, subsection J. The Air District will issue guidance for the Annual Report in August 2006. The reports will be due on Wednesday, November 1, 2006.

Audits

Each project that receives TFCA Program Manager funds will be subject to a fiscal audit every two years and may be subject to a performance audit. The Air District will select an independent auditor to conduct the fiscal audit. The fiscal audit will verify that each Program Manager project is in compliance with the terms of the applicable project funding agreement and the provisions of the TFCA [Health and Safety Code Sections 44220 through 44242]. It will also verify that administrative costs have not exceeded five percent (5%) of the total actual TFCA funds allocated to the CMA in a given fiscal year. Air District staff/contractor shall conduct a performance audit to verify that projects have been implemented as approved. In the performance audit, projects are evaluated for compliance with monitoring requirements set forth in the funding agreement and to determine their effectiveness in reducing emissions from motor vehicles.

Additional Information

Program Managers are strongly encouraged to discuss their expenditure programs with Air District staff prior to submittal. Please direct your questions to the Air District contact for your county:

<u>County</u>	<u>Air District Contact</u>
Alameda	Andrea Gordon
San Francisco	(415) 749-4940
Marin	agordon@baaqmd.gov
Napa	Alison Kirk
	(415) 749-5169
	akirk@baaqmd.gov
Contra Costa	Karen Chi
Solano	(415) 749-5121
	kchi@baaqmd.gov
San Mateo	Joseph Steinberger
Sonoma	(415) 749-5018
Santa Clara	jsteinberger@baaqmd.gov

II. TIPS FOR SPECIFIC PROJECT TYPES

This section provides tips for each of the major eligible project types. Under each project type, “Basic Eligibility” identifies the applicable policies. “Strengthening Your Projects” specifies the particular criteria that Air District staff has determined to be cost-effective, based on the experience in administering the TFCA program. This information is advisory in nature. The purpose of the information in this section is to provide Program Managers with tools to help potential applicants within their jurisdictions identify the types of projects that are likely to result in a cost-effective use of TFCA funds.

Please note that there are project types eligible for TFCA funding for which no specific information is provided under “Strengthening Your Projects”. This is because these project types vary so significantly that no specific tips would be useful.

Shuttle/Feeder Bus

Basic Eligibility: Shuttle/feeder bus projects must meet the requirements outlined in TFCA Policy #24 (see Appendix C).

Strengthening Your Projects: Projects with the following characteristics are typically more cost-effective in reducing emissions:

- Documented ridership such that TFCA funding does not exceed \$1.50 TFCA per passenger (total annual boardings).
- Shuttle operates during the peak-periods only.
- Shuttle service can demonstrate that ridership has held steady or increased in recent years.
- Service is provided using clean fuel, low-emission (natural gas, electric, or hybrid electric) vehicles. Use of alternative fuel shuttle vehicles is not a requirement, provided that the applicant demonstrates compliance with the particulate matter standard as outlined in Policy #24.

Transit or Vanpool Incentive Programs

Basic Eligibility: Transit or vanpool incentive program projects must meet the requirements outlined in TFCA Policy #10.

Strengthening Your Projects: Projects should demonstrate a strong potential to shift trips from single occupant vehicles to an alternative mode of transportation in a cost-effective manner. Projects with the following characteristics are typically more cost-effective in reducing emissions:

- At least 50% of the incentive is provided by a match from the employer (or other non-TFCA source).
- Program administrative and overhead expenses represent no more than 25% of the project cost (i.e., at least 75% of the funds are directly expended for incentives).
- Program targets existing drive-alone commuters.

Bicycle Facility Improvements

Basic Eligibility: Projects for bicycle facility improvements must meet the requirements outlined in TFCA Policy #25.

Strengthening Your Projects: Bicycle projects with the following characteristics are typically most cost-effective:

- Install Bicycle Lanes (in adopted bicycle plan or congestion management plan):
Install new bike lanes on streets with average daily traffic volume of 10,000 or more vehicles/day.
Requested TFCA funds do not exceed \$30,000 per mile of project length.
- Install Bicycle Lockers:
Documented demand for the lockers (e.g., a waiting list).
TFCA cost does not exceed \$1,000 per locker (or \$2,000 for a unit that accommodates two bikes).
- Install On-Street Bicycle Racks: Total cost (rack, installation, and overhead) does not exceed \$250 per rack (two-bike capacity per rack).
- Provide Bicycle Racks on Transit Buses: Total cost (hardware, installation, and overhead) does not exceed \$800 TFCA per unit (two-bike capacity rack).

Clean Air Vehicle Projects

Basic Eligibility: Projects for clean air vehicles must meet the applicable requirements outlined in TFCA Policies #15 through #23.

Strengthening Your Projects: Buses, medium-duty and heavy-duty vehicle projects must identify an engine certified to the California Air Resources Board's optional reduced-emission NO_x plus nonmethane hydrocarbon (NMHC) standard for 2004 (1.8 g/bhp hr, or lower). The following projects are most cost-effective:

- For replacement of Heavy-Duty Vehicles: Transit buses, school buses, street sweepers, etc. with GVW greater than 10,000 lbs.
TFCA funds cover the incremental cost of the vehicle only for natural gas or propane engines.
Vehicle emissions certified at level lower than CARB's optional reduced-emission NO_x plus NMHC standard for 2004.
Must demonstrate emissions reduction compared to an equivalent diesel engine.
- Acquisition of Light-Duty Alternative Fuel Vehicles: Cars, trucks, and vans with a GVW of 10,000 lbs or less (natural gas, electric, or hybrid-electric): TFCA funds do not exceed the amount specified in TFCA Policy #18 (i.e., incentive amount offered via Air District's Vehicle Incentive Program).

- **Slow-Fill Natural Gas Fueling Infrastructure:**
TFCA cost should not exceed \$10,000 per unit.
Infrastructure should be made available, to the maximum extent feasible, to other public and private fleets, and to the general public (TFCA Policy #15).
- **Fast-Fill Natural Gas Fueling Infrastructure:** Infrastructure should be made available, to the maximum extent feasible, to other public and private fleets, and to the general public (TFCA Policy #15).

Smart Growth

Basic Eligibility: Projects for smart growth or traffic calming must meet the requirements outlined in TFCA Policy #27.

For smart growth projects including bicycle elements, see Bicycle Facility Improvements on page 5.

Strengthening Your Projects: Smart growth and traffic calming projects should demonstrate a strong potential to reduce motor vehicle trips by improving mobility via walking, bicycling, and transit.

Arterial Management

Basic Eligibility: Projects for arterial management must meet the requirements outlined in TFCA Policy #26.

For arterial management projects that include bicycle elements, see Bicycle Facility Improvements above and for projects that include pedestrian elements, see Smart Growth Projects above.

For transit bus signal prioritization projects, use the Trip Reduction cost-effectiveness worksheet (wstr06.xlt, see page 9. Emissions reduction for transit bus signal prioritization projects are estimated based on vehicular trip reduction.

Strengthening Your Projects: Arterial management projects should demonstrate a strong potential to reduce motor vehicle trips by improving transit, bicycling, and pedestrian mobility.

Transit bus signal prioritization projects should demonstrate a strong potential to increase transit ridership by shifting trips from single occupant vehicles to transit bus. Projects should increase the average speed of the transit service along the project corridor.

III. APPLICATION INSTRUCTIONS

Application Process

This section includes application instructions for preparing Program Manager expenditure programs. Application documents that require input will be sent to you by e-mail.

Applications must be received at the Air District's offices by **4:00 P.M. on Monday, May 1, 2006**. This ensures that our Board can take action on your projects at their first meeting in July 2006. Applications via fax machine will not be accepted. Submit your expenditure program on diskette and hardcopy to:

Juan Ortellado
Grant Programs Manager
Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109

Hand-delivered applications should be brought directly to the Air District offices, 939 Ellis Street, San Francisco, attn. Grant Programs Section.

Note: Air District staff will perform an independent evaluation of the individual cost effectiveness worksheets.

Instructions for Completing Project Information Sheets

A. Project Number

Consecutively number projects funded with year, county code, and number, e.g., 06MAR01, 06MAR02 for Marin County. Zero (i.e., 06MAR00) is reserved in the Air District's database for Program Manager TFCA funds allocated for administration costs.

B. Project Sponsor

Name of the agency sponsoring the project.

C. Project Contact

List a contact person with the project sponsor who is responsible for the day-to-day activities of the project.

D. Contact Phone Number and E-Mail

List the area code, phone number, and e-mail address for the project contact.

E. Project Title

Provide a concise, descriptive title for the project (e.g., "Elm Ave. Signal Interconnect" or "Purchase Two Electric Light Duty Pick-Up Trucks").

F. TFCA \$ Allocated

Amount of TFCA funding (Program Manager Funds) allocated.

G. Total Project Cost

Estimated total project cost. Include any funds that the project sponsor(s) or others are contributing to the project. List other funds by source. [Please note if the project sponsor will apply for TFCA Regional Funds for this project. List any other source of funds available in the event TFCA Regional Funds are not secured to complete the project.]

H. Project Description

Project descriptions should be concise, specific, and describe measurable actions and outcomes of the project in terms of services provided and trips and emissions reduced. Project descriptions are to include information regarding what, how many, frequency, location, expectations, size of target population, etc. as appropriate. Background information or justification should be brief. For shuttle/feeder bus projects, indicate the hours of operation, frequency of service, and rail station and employment sites/area served. See project description in the sample Project Information Sheet attached in Appendix D.

I. Project Schedule

List a start date and final report due date for each project.

J. Final Report Content

Reference the appropriate Project Monitoring Form that will be completed and submitted after project completion.

- Form 1 – Ridesharing, Shuttles, Transit Information, Rail/Bus
Integration, Smart Growth, and Traffic Calming Projects
- Form 2 – Clean Air Vehicle Projects
- Form 3 – Bicycle Projects
- Form 4 – Arterial Management Projects

K. Project Cost-Effectiveness

Provide a copy of a completed cost-effectiveness worksheet for the project. Cost-effectiveness worksheets are not needed for the following project types: funding incentives for clean air vehicle passenger cars, pick-up trucks, and vans with a GVW of 10,000 lbs. or less; electric or natural gas vehicle fueling facilities.

L. Comments

Provide any additional information or comments as necessary.

Instructions for Individual Project Cost-Effectiveness Worksheets

Consult the following instructions before entering data into the worksheets for estimating emission reductions for TFCA projects. Five Microsoft Excel worksheets will be provided to Program Managers by e-mail. The worksheets can be used to calculate project emission reductions and TFCA cost effectiveness (TFCA \$/ton of emission reductions).

<u>Project Type</u>	<u>Worksheet Name</u>
Ridesharing, Shuttles, Bicycle, Smart Growth, and Traffic Calming Projects	wstr06.xlt
Arterial Management:	
Signal Timing	wsam06.xlt
Transit Bus Priority	wstr06.xlt
Bus and Heavy Duty Vehicle Worksheet	wshdv06.xlt
Reducing Emissions from Existing Diesels Worksheet	wsreed06.xlt

Worksheets must be completed for all project types with the exceptions noted below. Worksheets are not required for the following:

- Refueling infrastructure to support clean air vehicles
- Light duty clean air vehicles with a gross vehicle weight of 10,000 lbs. or less
- Program Manager TFCA administrative costs

Only make entries in the shaded areas of the worksheets. Be sure to save the worksheet with a new file name as soon as you enter any data. The new filename should begin with the application number (i.e., 06NAP01), formatted as described below under General Project Information. Each worksheet contains four sections: General Project Information, Cost Effectiveness Inputs, Emission Reduction Calculations, and Cost Effectiveness Results. Inputs to the General Information section do not affect the cost effectiveness calculation for the worksheets. The Cost Effectiveness Inputs and Emission Reduction Calculations inputs are required inputs for the cost effectiveness calculation on each worksheet. Please explain your assumptions in the Notes section of the worksheet. Guidance on inputs is provided below:

General Project Information

Project Sponsor:	Agency requesting TFCA funds		
Project Title:	Short descriptive title of project		
Proj. Sponsor Contact:	Name of individual responsible for implementing the project		
Proj. Sponsor Phone #:	Phone number of project sponsor contact		
Proj. Sponsor E-mail:	E-mail address of project sponsor contact		
Application #:	The application number is composed of three parts: 1st - fiscal year in which project will be funded (Ex: 06) 2nd - county implementing project (Ex: SOL for Solano) 3rd - two digit number identifying project (Ex: 13) (Example: 06MAR04 = fiscal year 2006/07 , Marin , Project #04) Use the following abbreviations to identify counties:		
	ALA - Alameda	CC - Contra Costa	MAR - Marin
	SC - Santa Clara	SON – Sonoma	NAP - Napa
	SM - San Mateo	SF - San Francisco	SOL - Solano

Project Type Code: Insert the following codes for the corresponding project type. If none of the codes is appropriate, leave blank.

Code	Project Type	Code	Project Type
0	Administrative costs	6g	Shuttles services – Other fuel type
1a	NG buses (transit or shuttle buses)	7a	Class 1 bicycle paths
1b	EV buses	7b	Class 2 bicycle lanes
1c	Hybrid buses	7c	Class 3 bicycle routes
1d	Fuel cell buses	7d	Bicycle lockers
1e	Buses – other clean fuel	7e	Bicycle racks
2a	NG school buses	7f	Bicycle racks on buses
2b	EV school buses	7g	Attended bicycle parking (“bikestation”)
2c	Hybrid school buses	7h	Other type of bike project (e.g., bike loop detectors)
2d	Fuel cell school buses	8a	Signal timing (Regular projects to speed traffic)
2e	School buses – other clean fuel	8b	Arterial Management – transit bus priority
3a	Other heavy-duty – NG (street sweepers, garbage trucks)	9a	Smart growth – traffic calming
3b	Other heavy-duty – EV	9b	Smart growth – pedestrian improvements
3c	Other heavy-duty – Hybrid	9c	Smart growth – other types
3d	Other heavy-duty – Fuel cell	10a	Rail-bus integration
3e	Other heavy-duty – Other clean fuel	10b	Transit information / marketing
4a	Light-duty vehicles – NG	11a	Telecommuting demonstration
4b	Light-duty vehicles – EV	11b	Congestion pricing demonstration
4c	Light-duty vehicles – Hybrid	12a	Natural gas infrastructure
4d	Light-duty vehicles – Fuel cell	12b	Electric vehicle infrastructure
4e	Light-duty vehicles – Other clean fuel	12c	Other alternative fuel infrastructure
5a	Implement TROs (pre-1996 projects only)	15a	Diesel Repower – Transit Bus
5b	Regional Rideshare Program	15b	Diesel Repower – Shuttle Bus
5c	Incentive programs (for any alternative mode)	15c	Diesel Repower – School Bus
5d	Guaranteed Ride Home programs	15d	Diesel Repower – Heavy-Duty Vehicle
5e	Ridesharing – Vanpools (if cash incentive only, use 5c)	15e	Other Repower (Repower with natural gas engine)
5f	Ridesharing – School carpool match	16a	Retrofit – Transit Bus
5g	Other ridesharing / trip reduction projects	16b	Retrofit – Shuttle Bus
5h	Trip reduction bicycle projects (e.g., police on bikes)	16c	Retrofit – School Bus
6a	Shuttles services – diesel powered	16d	Retrofit – Heavy-Duty Vehicle
6b	Shuttles services – gasoline powered	17a	Fuel Substitute – Transit Bus
6c	Shuttles services – NG powered	17b	Fuel Substitute – Shuttle Bus
6d	Shuttles services – EV powered	17c	Fuel Substitute – School Bus
6e	Shuttles services – Fuel cell powered	17d	Fuel Substitute – Heavy-Duty Vehicle
6f	Shuttles services – Hybrid vehicle		

Calculated by: Initials of person responsible for worksheet inputs.

Cost Effectiveness Inputs

Years

Effectiveness: Years of effectiveness for project. See table on pages 12-15.

Total Project Cost: Total cost of project including TFCA funding, sponsor funding, and funds contributed by other entities.

TFCA Cost: TFCA 40% Program Manager Funds and the 60% Regional Funds (if any) listed separately.

Emission Reduction Inputs

Instructions for completing the Air District's worksheets for calculating emissions reductions are provided in the attached table on pages 12-15.

Default values for years of effectiveness are provided in the table below for the different project types. (No defaults for Smart Growth projects.)

Please provide an explanation of your assumptions in the section of the worksheet titled "Notes".

Emission Reduction Inputs

Project Type/Worksheet Name	Input Data Needed	Default Assumptions
Ridesharing / Trip Reduction Project Type = 5, 8b, 9, 11a, or 11b Worksheet = wstr06.xlt Note: For ridesharing, the Air District generally assumes that the maximum number of vehicle trips reduced per day is 1% of target population.	<u>Ridesharing</u> <ul style="list-style-type: none"> # Years Effectiveness # Trips/Day (1-way) eliminated [% of target population (# employees)] Days/Yr Trip Length (1-way) 	<ul style="list-style-type: none"> Enter in Cost Effectiveness Inputs, 1 yr Enter in Step 1-Column A, 1% of target population Enter in Step 1-Column B, 240 days (max.) Step 1-Column C, Default = 14 miles * (based on MTC data of 13.7 mi. avg. one-way commute dist.)
	<u>School-Based Ridesharing</u> <ul style="list-style-type: none"> # Years Effectiveness # Trips/Day (1-way) eliminated [% of target population (total # students)] Days/Yr Trip Length (1-way) 	<ul style="list-style-type: none"> Enter in Cost Effectiveness Inputs, 1 yr Step 1-Column A, No Default Enter in Step 1-Column B, 180 days (max.) Step 1-Column C, 1-3 miles
	<u>Transit Incentive Campaigns</u> <ul style="list-style-type: none"> # Years Effectiveness # Trips/Day (1-way) eliminated [% of target population] Days/Yr Trip Length (1-way) # New Trips/Day (1-way) to access transit Days/Yr (new trips) Trip Length (1-way) for new trips 	<ul style="list-style-type: none"> Enter in Cost Effectiveness Inputs, 1 yr Step 1-Column A, No Default Enter in Step 1-Column B, 90 days (max.) Step 1-Column C, No Default Step 2-Column A, No Default Enter in Step 2 - same as # days used in Step 1 Step 2-Column C, Default = 3 miles
	<u>Guaranteed Ride Home Programs</u> <ul style="list-style-type: none"> # Years Effectiveness # Trips/Day (1-way) eliminated Days/Yr Trip Length (1-way) 	<ul style="list-style-type: none"> Enter in Cost Effectiveness Inputs 1 year Enter in Step 1-Column A, 0.2% of target population. Enter in Step 1-Column B, 240 days (Max.) Step 1-Column C, Default = 14 miles
	<u>Transit Bus Signal Prioritization</u> <ul style="list-style-type: none"> # Years Effectiveness # Trips/Day (1-way) eliminated Days/Yr Trip Length (1-way) 	<ul style="list-style-type: none"> Enter in Cost Effectiveness Inputs, 10 yrs Step 1-Column A, No Default Enter in Step 1-Column B, 250 days (Max.) Step 1-Column C, No Default

Emission Reduction Inputs

Project Type/Worksheet Name	Input Data Needed	Default Assumptions
Bicycle Projects Project Type =7 Worksheet = wstr06.xlt Air District methodology to estimate the number of trips reduced for bicycle paths, bicycle lanes, and bicycle routes is based upon 3 factors: - the type of facility (Class 1, 2, or 3) - the length of the project segment - the traffic volume (ADT) on the facility. For Class 1 projects, use the ADT on the most appropriate parallel road. For gap closure projects (where project will close a gap between two existing segments of bikeway), use the length for the total facility. Note: the maximum number of vehicle trips reduced per day is 240. The Air District generally assumes that no bike project will reduce more than 240 vehicle trips per day. The Air District normally uses an average trip length of 3 miles (one-way) for bicycle projects.	<u>Bicycle Projects (Lanes, Paths, Routes)</u> <ul style="list-style-type: none"> # Years Effectiveness Class 1 bike path (or bike bridge) Class 2 bike lane Class 3 bike route Length of project segment (to nearest 0.1 mile) Traffic volume (ADT) on project segment # Trips/Day (1-way) eliminated Class 1 bike path & Class 2 bike lane ADT < 12,000 vehicles per day Class 1 bike path & Class 2 bike lane ADT > 12,000 and < 24,000 Class 2 Bike lane w/ ADT = 24,000 + Class 3 Bike route Days/Yr Trip Length (1-way) 	<ul style="list-style-type: none"> Enter in Cost Effectiveness Inputs: 15 years for Class 2 & Class 3 projects 20 years for Class 1 projects (trails/paths) Enter in Step 1-Column A: Length < 1 mile = 0.4% ADT Length >1 and <2 miles = 0.6% ADT Length >2 miles = 0.8% ADT Length < 1 mile = 0.3% ADT Length >1 and <2 miles = 0.45% ADT Length >2 miles = 0.6% ADT Length < 1 mile = 0.25% ADT Length >1 and <2 miles = 0.35% ADT Length >2 miles = 0.45% ADT Route < 1 mile = 0.1% ADT Route >1 and <2 miles = 0.15% ADT Route >2 miles = 0.25% ADT Enter in Step 1-Column B, 240 days Enter in Step 1-Column C, 3 miles
	<u>Bicycle Lockers & Racks</u> <ul style="list-style-type: none"> # Years Effectiveness # Trips/Day (1-way) eliminated Days/Yr 	<ul style="list-style-type: none"> Enter in Cost Effectiveness Inputs, 10 yrs Enter in Step 1-Column A: Capacity of lockers x 1 trip/day Capacity of racks x 0.5 trips per day Enter in Step 1-Column B, 240 days

Emission Reduction Inputs

Project Type/Worksheet Name	Input Data Needed	Default Assumptions
Shuttles / Rail-Bus Integration / Transit Info Project Type =6, 10a, or 10b Worksheet = wstr06.xlt	<p><u>Shuttle/Feeder Bus, Rail-Bus Integration, and Transit Information Systems</u></p> <ul style="list-style-type: none"> • # Years Effectiveness • # Trips/Day (1-way) eliminated trips • Days/Yr eliminated trips • Trip Length (1-way) eliminated trips. Average trip length that will be eliminated due to shuttle passengers taking BART or CalTrain before accessing the shuttle. • # Trips/Day (1-way) new trips to access transit • Days/Yr new trips • Trip Length (1-way) new trips. Average trip length of shuttle passengers that drive from home to the BART/CalTrain station. • Shuttle/vanpool vehicle gross vehicle weight (GVW) • Vehicle fuel type • Model Year • Total annual miles VMT = [length of shuttle/van trip (one-way)] X [# one-way trips per day] X [# days of service per year] 	<ul style="list-style-type: none"> • Cost Effectiveness Inputs, 1 year • Step 1-Column A, For on-going service, use survey results For new service, use 50% seating capacity (max.) • Step 1-Column B, Enter number of operating days. Default =254 days/yr. • Enter in Step 1-Column C, 16 miles (Avg.) • Step 2-Column A, Default is 50% of # Trips/Day Eliminated (Step 1-Column A) • Enter in Step 2-Column B, same # as in Step 1-Column B. • Enter in Step 2-Column C, default is 3 miles for home to rail trips • <i>For vans and shuttle vehicles, use Step 3A. For buses, use Step 3B.</i> • Step 3A - Column B, enter gross vehicle weight. (Default use 1 for Vanpool, 2 for Shuttle) • Step 3A - Column C, enter appropriate emission rating. Use the Default Baseline for gas or diesel powered vehicles (unless vehicle has been certified to ULEV or cleaner standard. • Step 3A – Column D, No Default • Step 3B – Column C, Default = 1 • Step 3B – Column D, No Default

Emission Reduction Inputs

Project Type/Worksheet Name	Input Data Needed	Default Assumptions
Arterial Management Project Type = 8a Worksheet = wsam06.xlt	<u>Arterial Management</u> <ul style="list-style-type: none"> • # Years Effectiveness • Name of Arterial (not required) • Segment Length (miles) • Days/Yr. • Time Period (not required) • Traffic Volume • Traffic Speed w/o the Project • Travel Speed w/ Project 	<ul style="list-style-type: none"> • Enter in Cost Effectiveness Inputs: 2 yrs for signal timing/synchronization • Enter under Column A the name of the arterial and the direction of travel. • Enter under Column B the length of arterial over which speeds will be increased. • Enter under Column C the number of days per year over which the project would affect traffic. Default equals 250 days. • Enter under Column D the time period over which the traffic volumes and speed will change (e.g. am peak, 4-7 pm, etc.). Include all the hours in a period that will benefit, not just the peak hour. • Enter under Column E the traffic volume before implementation of the project for the corresponding Time Period and direction of travel. • Enter under Column F the average traffic speed along the length of the arterial before implementation of the project. • Enter under Column G the average estimated traffic speed along the length of the arterial after implementation of the project. <i>Note: Maximum increase in speed is 25%.</i>
Smart Growth	<u>Smart Growth / Traffic Calming</u>	No default assumptions can be provided for “smart growth” or traffic calming projects.

IV. BAAQMD TRANSPORTATION GRANT PROGRAMS

Program	Contact Person	Eligibility	Specifics
Regional Fund Competitive Program	Juan Ortellado 415-749- 5183 jortellado@baaqmd.gov	Public Agencies/Private Entities (vehicle-based projects only)	Approximately \$10 million available annually. Eligible project types set by statute include: ridesharing, shuttle services, clean air vehicle projects, bicycle facility improvements, arterial management, and smart growth.
County Program Manager Fund	Juan Ortellado 415-749-5183 jortellado@baaqmd.gov	Public Agencies	Funds vary annually and by county, proportional to motor vehicle registrations in the county. Eligible project types include as above for Regional Fund. Funds are allocated by the nine Bay Area County Congestion Management Agencies.
Vehicle Incentive Program (VIP)	Andrea Gordon 415-749-4940 agordon@baaqmd.gov	Public Agencies	Clean air vehicles (electric, hybrid- electric, natural gas) with a GVW of 10,000 lbs. or less. Must be certified to SULEV, or ZEV emission standard: hybrid electric SULEV (\$2000), natural gas or propane SULEV (\$4000), Hwy ZEV (\$5000), City ZEV (\$3000), neighborhood & 3-wheel ZEV (\$1000)
Vehicle Buy Back Program	1-888-690-CASH grants@baaqmd.gov	Individuals	The District pays \$650 to scrap your qualifying 1985 or older vehicle. Voluntary program.
Carl Moyer Program (funded by CARB)	David Burch 415-749-4641 dburch@baaqmd.gov	Public and Non-Public Entities	Funds incremental cost to repower heavy-duty diesel engines with natural gas engines or new diesel engines in specified vehicles and applications.
Lower-Emission School Bus Program (funded by CARB)	Karen Chi 415-749-5121 kchi@baaqmd.gov	Public School Districts/School Transportation Contractor (retrofit program only)	This program has two components: 1) School bus replacement program 2) Retrofit program
Other TFCA Programs			
Program	Contact Person	Eligibility	Specifics
Smoking Vehicle Program	1-800-EXHAUST www.baaqmd.gov/exhaust exhaust@baaqmd.gov	Anyone	Provide the license number, date, time, and place a smoking vehicle is spotted. The District sends a letter to the vehicle owner notifying them of the air quality consequences, warning them of possible citation, and encouraging vehicle repair.
Spare the Air	www.sparetheair.org	Anyone	Advisories available when particulate matter (PM _{2.5}) is predicted to be at concentrations unhealthy for the general public.

APPENDIX A

GUIDELINES FOR ELIGIBLE TFCA REIMBURSABLE COSTS

The Transportation Fund for Clean Air (TFCA) enabling legislation allows the vehicle registration fees collected for the TFCA program to be used for Project Implementation Costs, as well as Administrative Project Costs related to implementation of the project. Both Project Implementation Costs and Administrative Project Costs may be further divided into Direct and Indirect Costs. This appendix provides guidance differentiating Direct and Indirect Project Implementation Costs from Direct and Indirect Administrative Costs, as well as guidance on reporting and calculating these costs. The Air District will use the definitions and interpretations discussed below in the financial accounting of the TFCA program. The Air District conducts periodic audits on TFCA-funded projects to ensure that the TFCA funds have been spent in accordance with the guidelines established in this appendix.

Although allowed, many project sponsors choose not to charge any Administrative Project Costs to the TFCA program. Project sponsors that choose to charge Administrative Project Costs must comply with Health and Safety Code Section 44233 as interpreted in this appendix and Policy #13 in this guidance document. The Health and Safety Code states that not more than five percent (5%) of the TFCA funds distributed by the Air District can be used for Administrative Project Costs.

Project Implementation Costs

Project Implementation Costs are charges associated with carrying out the substance of a TFCA-funded project and can encompass both Direct and Indirect Costs.

Direct Project Implementation Costs

Direct Project Implementation Costs include the following:

- Documented hourly labor charges (salaries, wages, and benefits) directly and solely related to implementation of the TFCA project,
- Capital costs,
- Capital equipment installation costs,
- Equipment maintenance costs,
- Shuttle driver labor costs,
- Labor costs related to capital purchases,
- Operator or personnel training directly related to project implementation,
- Contractor labor charges related to the TFCA project, and
- Overhead costs associated with the previously mentioned costs.

The Direct Project Implementation Costs that are approved by the Air District will be outlined in Attachment A of the Funding Agreement. The project sponsor may seek reimbursement for these costs by providing proper documentation with project invoices. Such documentation must show how the Direct Project Implementation Costs were accrued, for example, by listing the date when the hours were accrued, employees' job titles, employees' hourly pay rates, hours worked, tasks being charged, and total charges. Documentation of hourly charges may be provided with time sheets or any other generally accepted accounting method to allocate and document staff time.

TFCA funds may be used to pay for travel and training costs only if these costs are directly related to the implementation of the TFCA-funded project. For example, the cost of training mechanics to service natural gas clean air vehicles is an allowable Direct Project Implementation Cost.

Indirect Project Implementation Costs

Indirect Project Implementation Costs are the reasonable overhead costs incurred to provide a physical place of work and other general support services and oversight related to the implementation of the TFCA-funded project. Indirect Project Implementation Costs associated with implementing the project might include rent, utilities, office supplies, computer, payroll, reproduction, mailroom support staff, and management oversight. Although the Health and Safety Code is silent on the issue of Indirect Project Implementation Costs, the Air District will reimburse project sponsors for these costs provided the project sponsor requests and justifies the reimbursement in the grant application (Regional Fund) or expenditure program (Program Manager Fund). District guidance on calculating Indirect Project Implementation Costs are provided in the last section of this appendix. A project sponsor may choose not to charge any Indirect Project Implementation Costs to a TFCA project. The accounting methods used by many public agencies do not include identification of Indirect Project Implementation Costs or the application of an indirect cost rate. The agency may determine that it would not be worth the effort to change their system.

Administrative Project Costs

Administrative Project Costs are defined as costs associated with the administration of a TFCA project, and do not include project capital nor operating costs, discussed above. The combined Direct and Indirect Administrative Project Costs that are reimbursable to a project sponsor are limited to a maximum of five percent (5%) of the total TFCA funds received annually. For Program Managers, the interest earned on prior DMV funds received shall not be included in the calculation of the Administrative Project Costs.

All reimbursement of both Direct and Indirect Administrative Project Costs must be requested and justified in writing in the project application (Regional Funds) or expenditure program (Program Manager Funds). If Administrative Project Costs are approved by the Air District, they will be identified in Attachment A of the Funding Agreement. The project sponsor may seek reimbursement for Direct and Indirect Administrative Project Costs by providing proper documentation with project invoices. Documentation for Direct Administrative Project Costs will show how these costs were accrued by listing the date when the hours were accrued, employees' job titles,

employees' hourly pay rates, hours worked, tasks being charged, and total charges. Documentation of hourly charges may be provided with time sheets or any other generally accepted accounting method to allocate and document staff time. The District recommends that documentation of Indirect Administrative Project Costs use the methodology provided at the end of this appendix.

Administrative Project Costs are limited to the following:

- Direct and indirect costs associated with entering into a TFCA Funding Agreement, including documented hourly labor and overhead costs (salaries, wages, and benefits) to review and sign the Funding Agreement. Hourly labor charges must be expressed on the basis of hours worked on the TFCA project. Note that costs incurred in the preparation of a TFCA application are not eligible for reimbursement;
- Accounting for TFCA funds; and
- Fulfilling all monitoring, reporting, and record-keeping requirements specified in the TFCA Funding Agreement, including the preparation of quarterly reports, invoices, and final reports.

Reporting and Calculating Direct and Indirect Project Costs

The following methodology is recommended to determine Direct and Indirect Costs for both Project Implementation and Administrative Project Costs. In general, when expenses are shared among programs or functions within an organization, they are defined as Indirect Costs. Because Indirect Costs are shared among TFCA and other programs in an organization, they cannot be charged to TFCA in full. The project sponsor must determine the proportion of Indirect Costs that each program should bear. The Air District relies on OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments for determining appropriate Indirect Costs for TFCA projects. The Air District uses the following definition, consistent with the Circular: Indirect costs are the reasonable overhead costs incurred in providing a physical place of work and in performing general support services and oversight. Examples include rent, utilities, office supplies, computer, payroll, reproduction, mailroom support staff, and management oversight.

The District recommends that the Indirect Costs for a TFCA project be estimated based on actual indirect cost rates from the most recent fiscal audit of the agency. The following method is recommended:

1. For the most recent fiscal audit of the agency, identify all of the activities carried on by the project sponsor, and their costs.
2. Classify the activities as Project Implementation Costs or Administrative Project Costs, using the definitions provided above.
3. Classify the TFCA Implementation and Administrative activities and estimate their costs as Direct or Indirect Costs. Refer to OMB Circular A-87 for assistance.
4. Direct Project Implementation Costs may be charged to the Air District as line items in project invoices. Note that these costs must be documented as explained above.
5. Direct Administrative Project Costs may be charged to the Air District as line items in project invoices. Note that these costs must be approved in advance by the Air

District, must be documented as explained above, and when combined with Indirect Administrative Project Costs, as calculated in 7b below, may not exceed the five percent (5%) cap.

6. Indirect Project Implementation Costs and Indirect Administrative Project Costs may be charged to the Air District as separate line items in project invoices by multiplying the indirect cost rate(s) calculated below by the Direct Project Implementation Costs and the Direct Administrative Project Costs.
7. Indirect Project Implementation Costs and Indirect Administrative Project Costs may be determined using the following method. This method assumes that the ratio of the Indirect Costs to total personnel expenses for all of an agency's activities is the same as for implementation of the TFCA project(s) by that agency. The most recent agency financial audit should be used as the source of costs in calculating the indirect cost rate(s) below. The indirect cost rate(s) based on costs in the most recent audit are applied to the Direct Project Implementation Costs and Direct Administrative Project Costs to calculate the Indirect Project Implementation Costs and Indirect Administrative Project Costs.
 - a. The Indirect Project Implementation Costs and Indirect Administrative Project Costs rates may be calculated separately or the same rate may be used for both costs using costs from an agency's most recent financial audit and the following methodology:
 - Step1 - Remove from the agency's total Indirect Costs any capital purchases or other unallowable costs. Unallowable costs include functions unrelated to the implementation of projects.
 - Step 2 - Calculate the agency's Direct Cost base as the total personnel expenses (all agency functions or programs) minus indirect personnel expenses (support functions or programs, unallowable personnel costs). Personnel expenses include salaries, wages, and benefits.
 - Step 3 - Divide the total remaining Indirect Costs by the Direct Cost base.

$$\text{Indirect Cost Rate} = \frac{(\text{Total Indirect Costs} - \text{Capital Purchases, External Contracts, and Unallowable Costs})}{(\text{Total Personnel Expenses} - \text{Indirect Personnel Expenses})}$$

- b. The TFCA Direct Project Implementation Costs and Direct Administrative Project Costs multiplied by the Indirect Cost rates will equal the amount of Indirect Costs recoverable as part of the TFCA Project Implementation Costs and Administrative Project Costs. Both the Indirect Project Implementation Costs and Indirect Administrative Project Costs may be charged to the Air District as line items in project invoices.

$$\text{Indirect Costs Recoverable From TFCA} = \text{TFCA Direct Costs} \times \text{Indirect Cost Rate (or Project Direct Costs)}$$

APPENDIX B

QUARTERLY FUNDING STATUS REPORT TFCA Funds Reprogrammed

Date: _____

BAAQMD Project #	Project Sponsor	Project Name	TFCA Funds Allocated	TFCA Funds Reprogrammed	TFCA Funds Reprogrammed to (Project # or FY)	Project Name	Written Request Sent to District Yes/No	Comments

Note: Please provide information for all TFCA funds that were reprogrammed to another project or fiscal year

APPENDIX C

BOARD-ADOPTED TRANSPORTATION FUND FOR CLEAN AIR (TFCA) POLICIES FOR FY 2005/06

Please note that the policies **have not** been modified since last year (FY 2005/06). Policies may apply to one or more of the following funds/programs: Program Manager Funds, Regional Funds, and Vehicle Incentive Program (VIP). The funds/programs that each policy applies to are indicated in parentheses following the policy. Policies relating only to the Regional Fund have been removed.

BASIC ELIGIBILITY

1. **Reduce Emissions:** A project must result in the reduction of motor vehicle emissions within the Air District's jurisdiction to be considered eligible for TFCA funds. Planning activities (e.g., feasibility studies) that are not directly related to the implementation of a specific project are not eligible for TFCA funds.
2. **TFCA Cost-Effectiveness and Minimum Score:** The Air District will only approve projects included in County Program Manager expenditure programs that achieve a TFCA cost-effectiveness, on an individual project basis, equal to or less than \$90,000 of TFCA funds per ton of total ROG, NO_x and weighted PM₁₀ emissions reduced (\$/ton). The following are excluded from the calculation of TFCA cost-effectiveness: TFCA Program Manager administrative costs, alternative fuel infrastructure projects, light-duty clean air vehicles with a gross vehicle weight (GVW) of 10,000 pounds or less, and TFCA Program Manager funds allocated for the Regional Rideshare Program.
3. **Viable Project:** Each project application should identify sufficient resources to accomplish the project. Applications that are speculative in nature, or are contingent on the availability of unknown resources or funds, will not be considered for funding.
4. **Responsible Public Agency:** TFCA funds may only be awarded to public agencies. These agencies must be responsible for the implementation of the project and have the authority and capability to complete the project.
5. **Non-Public Entities:** A public agency may apply for TFCA funds for clean air vehicles on behalf of a non-public entity when one or more of the following conditions are met:
 - a) the non-public entity will use the vehicle(s) to provide, under permit or contract, an essential public service that would otherwise be provided directly by the public agency (e.g., refuse collection, street-cleaning, school bus service, paratransit services for elderly or disabled people, etc.); or
 - b) the non-public entity will use the vehicle(s) to provide to the general public, under permit or contract, transportation demand management services (e.g., vanpools, shuttles to transit stations, door-to-door airport shuttles, taxi services, etc.) or services that provide members of the public with an opportunity to use light-duty

clean air vehicles eligible under Policy #18, e.g., through station car projects, car rental services, or car-sharing programs.

As a condition of receiving TFCA funds on behalf of a non-public entity, the public agency must provide a written, binding agreement that commits the non-public entity to operate the clean air vehicle(s) within the Air District for the duration of the useful life of the vehicle(s). In those situations where multiple non-public entities are under contract or permit to provide the service described in a) or b) above, the public agency must provide a written policy that demonstrates that the vehicle incentive funds will be offered on an equitable basis to all of the non-public entities which are providing the service.

6. **Consistent with Existing Plans and Programs:** All projects must conform to the types of projects listed in the California Health and Safety Code Section 44241 and the transportation control measures and mobile source measures included in the Air District's most recently approved strategy(ies) for State and national ozone standards and, when applicable, with the appropriate Congestion Management Program.
7. **Readiness:** Projects will be considered for funding only if the project will commence in calendar year 2006 or sooner. For purposes of this policy, commence means to order or accept delivery of vehicles or other equipment being purchased as part of the project, to begin delivery of the service or product provided by the project, or to award a construction contract.

APPLICANT IN GOOD STANDING

8. **Failed Audit:** Project sponsors who have failed either the fiscal audit or the performance audit for a prior TFCA project may, at the discretion of the Air Pollution Control Officer (APCO), be excluded from future funding. Existing funds already awarded to the agency will not be released until all audit recommendations and remedies have been implemented.

A failed fiscal audit means an uncorrected audit finding that confirms an ineligible expenditure of TFCA funds. A failed performance audit means that the project was not implemented as set forth in the project funding agreement.

INELIGIBLE PROJECTS

9. **Duplication:** Applications for projects which duplicate existing projects, regardless of funding source, will not be considered for funding. Combining Program Manager Funds with TFCA Regional Funds for a single project is not project duplication. Applications requesting TFCA funding for project costs with duplicate funding sources will not be considered for funding.
10. **Employee Subsidy:** Projects that provide a direct or indirect financial transit or rideshare subsidy exclusively to employees of the project sponsor will not be considered for funding. For projects that provide such subsidies, the direct or indirect financial transit or rideshare subsidy must be available, in addition to the employees of the project sponsor, to employees other than those of the project sponsor.

USE OF TFCA FUNDS

- 11. Combined Funds:** TFCA County Program Manager Funds may be combined with TFCA Regional Funds for the funding of an eligible project. For purposes of calculating TFCA funding effectiveness for TFCA Regional Funds (Evaluation Criterion #2), the 40% County Program Manager Funds will be included in the calculation of the TFCA cost of the project.
- 12. Cost of Developing Proposals:** The costs of developing proposals for TFCA funding are not eligible to be reimbursed with TFCA funds.
- 13. Administrative Costs:** Administrative costs for County Program Manager Funds are limited to a maximum of five percent (5%) of the actual Department of Motor Vehicles (DMV) fee revenues that correspond to each county, received in a given year. Interest earned on prior DMV funds received shall not be included in the calculation of the administrative costs.

All reimbursement with TFCA funds of administrative costs (i.e., direct and indirect) must be requested and justified in writing in the project application or expenditure plan, and approved in advance and in writing by the Air District.
- 14. Expend Funds within Two Years:** Any public agency or entity receiving Regional Funds must expend the funds within two (2) years of the effective date of the Funding Agreement, unless a longer period is formally (i.e., in writing) approved in advance by the Air District. In the case of the Program Manager Funds, the funds must be expended within two (2) years of receipt of the first transfer of funds from the Air District to the Program Manager in the applicable fiscal year, unless a longer period is formally (i.e., in writing) approved in advance by the Program Manager. Program Managers may approve no more than two (2) one (1)-year schedule extensions for a project. A third schedule extension for a project can only be given if written approval is received by the Program Manager from the Air District.

CLEAN AIR VEHICLE (CAV) PROJECTS

- 15. Clean Air Vehicle Infrastructure:** The TFCA Program Manager Funds may be used for infrastructure to support electric vehicles recharging for transit agencies, natural gas vehicles and fuel cell vehicles. The infrastructure must be accessible, to the extent feasible, to other public agencies, private fleets, and the general public.
- 16. Clean Air Vehicle Weights:** For TFCA purposes, light-duty vehicles are those 10,000 pounds gross vehicle weight (GVW) or lighter. Heavy-duty vehicles are those 10,001 pounds GVW or heavier.
- 17. Light-Duty CAV Eligibility:** All light-duty chassis-certified vehicles certified by the California Air Resources Board (CARB) as meeting established super ultra low emission vehicle (SULEV), partial zero emission vehicle (PZEV), advanced technology-partial zero emission vehicle (AT-PZEV), or zero emission vehicle (ZEV) standards are eligible for TFCA funding. Gasoline and diesel vehicles are not eligible for TFCA funding. Hybrid-electric vehicles that meet the SULEV, PZEV, AT-PZEV, or ZEV standards are eligible for TFCA funding.
- 18. Light-Duty CAV Funding Participation:** For light-duty clean air vehicle projects for passenger cars, pick-up trucks, and vans, project sponsors may receive no more than the following funding incentive amounts:

Emission Rating	Vehicle Type	Incentive Amount
SULEV	Hybrid electric	\$2,000
SULEV	Natural gas / propane	\$4,000
ZEV	Highway battery electric	\$5,000
ZEV	City battery electric	\$3,000
ZEV	Neighborhood battery electric	\$1,000
ZEV	3-wheel battery electric	\$1,000

These incentive amounts above will be pro-rated for leased vehicles in those cases where the vehicle is available for purchase. The incentive amounts for partial zero emission vehicles (PZEV) and advanced technology-partial zero emission vehicles (AT-PZEV) are the same as for SULEV-rated vehicles.

- 19. New Heavy-Duty CAV Eligibility:** To be eligible for TFCA funding, the engines of all new heavy-duty vehicles must be certified to CARB's optional reduced-emission NO_x plus non-methane hydrocarbon (NMHC) standard for 2004 (1.8 g/bhp-hr), or lower. Emission reductions for heavy-duty engine projects will be calculated by comparing the CARB certification level for the engine to the CARB emission standard or regulation that applies for the particular fleet or vehicle. To qualify for TFCA funding, the project must provide emission reductions beyond the requirements of the applicable CARB standard or regulation.
- 20. Heavy-Duty CAV Funding Participation:** For heavy-duty clean air vehicle projects, project sponsors may receive no more than the incremental cost of the new cleaner vehicle. Incremental cost is the difference in the purchase prices of the new clean air vehicle and its new diesel counterpart. However, public transit agencies, which have elected to pursue the "alternative fuel" path under CARB's urban transit bus regulation, may continue to apply for up to \$150,000 per alternative-fuel transit bus (30ft. or bigger).
- 21. Heavy-Duty Vehicle Replacement:** Sponsors of heavy-duty vehicles purchased with TFCA funds must either:
 - a) replace an existing similar or equivalent registered and operational diesel vehicle within the applicable vehicle fleet, or acquire and scrap an equivalent registered and operational vehicle from another fleet within the Bay Area. The vehicle being replaced must be removed from service and destroyed (i.e., destruction of the engine block and frame/chassis), or
 - b) add a diesel emission control strategy to an existing similar or equivalent registered and operational vehicle within the applicable vehicle fleet or within the fleet of the project sponsor. The control strategy must be certified or verified by CARB to reduce emissions and be approved by CARB for use with the relevant engine. This option requires the use of ultra-low-sulfur diesel.

Applicants may request TFCA funds, pursuant to guidelines developed by Air District staff, to offset the cost of complying with this policy. If the applicant requests TFCA funds to cover these costs, the funds will be included in calculating the TFCA cost-effectiveness of the project application.

Note: a “registered and operational vehicle” is a vehicle that has been registered with the California Department of Vehicles as an operational vehicle within the jurisdiction of the Air District for at least two (2) years prior to the application date.

22. Reducing Emissions from Existing Heavy-Duty Diesel Engines:

Options available to reduce emissions from existing heavy-duty diesel engines include:

- a) Repowers – To be eligible for TFCA funding, the new engine selected to repower an existing heavy-duty vehicle must reduce NO_x emissions by at least 15% compared to the existing engine that will be replaced
- b) Diesel Emission Control Strategies – Diesel emission control strategies compatible with existing heavy-duty diesel engines are eligible for TFCA funding, subject to the conditions described below:
 - 1) All control strategies must be certified or verified by CARB to reduce emissions and be approved by CARB for use with the relevant engine.
 - 2) The use of ultra-low sulfur diesel (15 ppm sulfur, or less) is required in conjunction with all control strategies.
 - 3) TFCA will fund, at most, the incremental cost (over what is standard or required by regulation) of the control strategy.
 - 4) Diesel emissions control strategies must meet the applicable CARB standard for NO₂ emissions when the standard is put into effect and strategies are available that meet the standard.
 - 5) The project sponsor must install the highest level (most effective) diesel emission control strategy that is verified by CARB for the specific engine and which can be used without jeopardizing the original engine warranty in effect at the time of application.
- c) Clean Fuels or Additives – Clean fuels or additives compatible with existing heavy-duty engines are eligible for TFCA funding, subject to the conditions described below:
 - 1) All clean fuels or additives must be certified or verified by CARB to reduce emissions and be approved by CARB for use with the relevant engine.
 - 2) Ultra-low-sulfur diesel is not eligible for funding.
 - 3) TFCA will fund, at most, the incremental cost (over what is standard or required by regulation) of the clean fuel or additive.

- 23. Bus Replacements:** For purposes of transit and school bus replacement projects, a bus is any vehicle designed, used, or maintained for carrying more than fifteen (15) persons including the driver. A vehicle designed, used, or maintained for carrying more than ten (10) persons, including the driver, which is used to transport persons for compensation or profit, or is used by any nonprofit organization or group, is also a bus. A vanpool vehicle is not considered a bus.

SHUTTLE/FEEDER BUS SERVICE PROJECTS

24. Shuttle/Feeder Bus Service: Shuttle/feeder bus service projects are those requesting funds to operate a shuttle or feeder bus route. The route must go to or from a rail station, airport, or ferry terminal, and the project must:

- a) Be submitted by a public transit agency; or
- b) Be accompanied by documentation from the General Manager of the transit agency that provides service in the area of the proposed shuttle route, which demonstrates that the proposed shuttle service does not duplicate or conflict with existing transit agency revenue service.

All shuttle/feeder bus service to rail or ferry stations must be timed to meet the rail or ferry lines being served.

Independent (non-transit agency) shuttle/feeder bus projects that received TFCA funding prior to FY 2002/03 and obtained a letter of support from all potentially affected transit agencies need not comply with “b” above unless funding is requested for a new or modified shuttle/feeder bus route.

All vehicles used in any shuttle/feeder bus service must meet the applicable CARB particulate matter (PM) standards for public transit fleets. For the purposes of TFCA funding, shuttle projects comply with these standards by using one of the following types of shuttle/feeder bus vehicles:

- a) an alternate fuel vehicle (CNG, LNG, propane, electric);
- b) a hybrid-electric vehicle;
- c) a post-1994 diesel vehicle and a diesel emission control strategy certified or verified by CARB to reduce emissions and approved by CARB for use with the relevant engine (this option requires the use of ultra-low-sulfur diesel); or
- d) a post-1989 gasoline-fueled vehicle.

No other types of vehicles, except for those listed in a through d above, are eligible for funding as shuttle/feeder bus service projects.

BICYCLE PROJECTS

25. Bicycle Projects: Bicycle facility improvement projects that are included in an adopted countywide bicycle plan or Congestion Management Program (CMP) are eligible to receive TFCA funds. For purposes of this policy, if there is no adopted countywide bicycle plan, the project must be in the county’s CMP, or the responsible Congestion Management Agency must provide written intent to include the project in the next update of the CMP. Eligible bicycle projects are limited to the following types of bicycle improvement facilities for public use: a) new Class 1 bicycle paths; b) new Class 2 bicycle lanes (or widening of outside lanes to accommodate bicycles); c) new Class 3 bicycle routes; d) bicycle racks, including bicycle racks on transit buses, trains, shuttle vehicles, and ferry vessels; e) bicycle lockers; f) attended bicycle storage facilities; and g) development of a region-wide web-based bicycle trip planning system. All bicycle facility improvement projects must, where applicable, be consistent with design standards published in Chapter 1000 of the California Highway Design Manual.

ARTERIAL MANAGEMENT PROJECTS

- 26. Arterial Management:** Arterial management projects must specifically identify a given arterial segment and define what improvement(s) will be made to affect traffic flow on the identified arterial segment. Projects that provide routine maintenance (e.g., responding to citizen complaints about malfunctioning signal equipment) are not eligible to receive TFCA funding. Incident management projects are eligible to receive TFCA funding. Transit improvement projects are limited to transit bus priority and bus stop relocation projects. For signal timing

projects, TFCA funds may only be used for arterial management projects where the affected arterial has an average daily traffic volume of 20,000 or more, or an average peak hour traffic volume of 2,000 or more.

SMART GROWTH PROJECTS

- 27. Smart Growth/Traffic Calming:** Physical improvements that support development projects and/or calm traffic, resulting in the achievement of motor vehicle emission reductions, are eligible for TFCA funds subject to the following conditions: a) the development project and the physical improvements must be identified in an approved area-specific plan, redevelopment plan, general plan, bicycle plan, traffic-calming plan, or other similar plan; and b) the project must implement one or more transportation control measures (TCMs) in the most recently adopted strategy(ies) for State and national ozone standards throughout the agency's jurisdiction. Pedestrian projects are eligible to receive TFCA funding. Traffic calming projects are limited to physical improvements that reduce vehicular speed by design. Improvements that rely only on driving behavior modification are not eligible for funding.

APPENDIX D

(SAMPLE) PROJECT INFORMATION

- A. Project Number: 06CA01 B. Project Sponsor: City of Clean Air
- C. Project Contact: Jane Doe D. Contact Phone #: (012) 345-6789
- E-mail: janedoe@cleanair.ci.ca.us
- E. Project Title: Class 2 Bicycle Lanes – Main Street
- F. TFCA \$ Allocated: \$ 15,000 G. Total Project Cost: \$ 120,000
- | | | |
|----------------|------------------|--------------------------|
| Other Funding: | Amount | Source |
| | <u>\$105,000</u> | <u>City of Clean Air</u> |
- H. Project Description: (Include information regarding what, how many, frequency, location, expectations, size of target population, etc. as appropriate. Background information or justification should be brief.)
- City of Clean Air will install Class 2 bicycle lanes on a 2.0 mile segment of Main Street, between Broadway Blvd. and First Street. The project will require widening the paved roadway surface (to eight feet wide) to provide adequate width for the bicycle lanes. The City will strip and sign approximately two miles of bikes lanes. The proposed striping is a nine-foot parking lane, eight-foot bike lane, and eleven-foot travel lane in each direction.
- This segment of the bicycle lanes is part of the Countywide Bicycle Plan and will eliminate the last remaining gap in bicycle lanes on Main Street between First Street corridor and Last Street corridor. This project will support increase in bicycle activity on Main Street and enhance safety for the bicyclists and pedestrians.
- The project is scheduled to start on June 1, 2006, with construction phase lasting from September 1, 2006 to February 1, 2007. The post-construction data collection will begin on April 1, 2007 for the Final Report to be submitted on July 1, 2007.
- I. Project Schedule: Start Date (mo/yr) June 1, 2006 Final Report Due Date (mo/yr) January 1, 2007
- J. Final Report Content: Complete and submit Project Monitoring Form 3, Bicycle Projects
- K. Attach copy of cost-effectiveness worksheet. Cost-effectiveness worksheets are not needed for the following project types: electric vehicle charging infrastructure; natural gas vehicle fueling infrastructure; clean air vehicle passenger cars, pick-up trucks, and vans with a GVW of 10,000 lbs. or less; clean air buses, heavy-duty trucks, and street sweepers.
- L. Comments (if any):